

House Amendment 8582

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1 1 Amend House File 2689 as follows:
1 2 #1. By striking everything after the enacting
1 3 clause and inserting the following:
1 4 <DIVISION I
1 5 RENEWABLE FUEL INFRASTRUCTURE
1 6 Section 1. Section 15G.201, subsection 1, Code
1 7 2007, is amended to read as follows:
1 8 1. "Biodiesel", "biodiesel blended fuel",
1 9 "biodiesel fuel", "E=85 gasoline", "ethanol", "ethanol
1 10 blended gasoline", "gasoline", "motor fuel", "~~motor~~
~~1 11 fuel pump~~", "retail dealer", and "retail motor fuel
1 12 site" mean the same as defined in section 214A.1.
1 13 Sec. 2. Section 15G.201, Code 2007, is amended by
1 14 adding the following new subsections:
1 15 NEW SUBSECTION. 4A. "Motor fuel pump" and "motor
1 16 fuel blender pump" or "blender pump" mean the same as
1 17 defined in section 214.1.
1 18 NEW SUBSECTION. 5A. "Tank vehicle" means the same
1 19 as defined in section 321.1.
1 20 Sec. 3. Section 15G.201, subsection 6, Code 2007,
1 21 is amended by adding the following new paragraph:
1 22 NEW PARAGRAPH. c. A biofuel manufacturer that is
1 23 in the business of producing ethanol or biodiesel from
1 24 biomass as defined in section 469.31.
1 25 Sec. 4. NEW SECTION. 15G.201A CLASSIFICATION OF
1 26 RENEWABLE FUEL.
1 27 For purposes of this division, ethanol blended fuel
1 28 and biodiesel fuel shall be classified in the same
1 29 manner as provided in section 214A.2.
1 30 Sec. 5. Section 15G.203, unnumbered paragraph 1,
1 31 Code Supplement 2007, is amended to read as follows:
1 32 A renewable fuel infrastructure program for retail
~~1 33 motor fuel sites~~ is established in the department
1 34 under the direction of the renewable fuel
1 35 infrastructure board created pursuant to section
1 36 15G.202.
1 37 Sec. 6. Section 15G.203, subsection 1, Code
1 38 Supplement 2007, is amended to read as follows:
1 39 1. The purpose of the program is to improve retail
1 40 motor fuel sites by installing, replacing, or
1 41 converting ~~motor fuel storage and dispensing~~
1 42 infrastructure. ~~The infrastructure must be to be used~~
~~1 43 to store, blend, or dispense renewable fuel. The~~
~~1 44 infrastructure shall be ethanol infrastructure or~~
~~1 45 biodiesel infrastructure.~~
1 46 a. (1) Ethanol infrastructure shall be designed
1 47 and shall be used exclusively to store do any of the
1 48 following:
1 49 (a) Store and dispense renewable fuel which is
1 50 E=85 gasoline.
2 1 (b) Store, blend, and dispense motor fuel from a
2 2 motor fuel blender pump, as required in this
2 3 subparagraph subdivision. The ethanol infrastructure
2 4 must provide for the storage of ethanol or ethanol
2 5 blended gasoline, or for blending ethanol with
2 6 gasoline. The ethanol infrastructure must at least
2 7 include a motor fuel blender pump which dispenses
2 8 different classifications of ethanol blended gasoline
2 9 and allows E=85 gasoline to be dispensed at all times
2 10 that the blender pump is operating.
2 11 (2) Biodiesel infrastructure shall be designed and
2 12 used exclusively to do any of the following:
2 13 (a) Store and dispense biodiesel, or biodiesel
2 14 blended fuel on the.
2 15 (b) Blend or dispense biodiesel fuel from a motor
2 16 fuel blender pump.
2 17 b. The infrastructure must be part of the premises
2 18 of a retail motor fuel sites site operated by a retail
2 19 dealers dealer. The infrastructure shall not include
2 20 a tank vehicle.
2 21 Sec. 7. Section 15G.203, subsection 3, Code
2 22 Supplement 2007, is amended by striking the
2 23 subsection.
2 24 Sec. 8. Section 15G.203, subsection 4, paragraph

2 25 b, subparagraphs (3) and (4), Code Supplement 2007,
2 26 are amended to read as follows:

2 27 (3) A statement describing how the retail motor
2 28 fuel site is to be improved, the total estimated cost
2 29 of the planned improvement, and the date when the
2 30 infrastructure will be first used to ~~store and~~
2 31 ~~dispense the renewable fuel.~~

2 32 (4) A statement certifying that the infrastructure
2 33 shall ~~not only~~ be used to ~~store or dispense motor fuel~~
2 34 ~~other than E-85 gasoline, biodiesel, or biodiesel~~
2 35 ~~blended fuel~~ comply with the provisions of this
2 36 section and as specified in the cost-share agreement,
2 37 unless granted a waiver by the infrastructure board
2 38 pursuant to this section.

2 39 Sec. 9. Section 15G.203, subsection 6, Code
2 40 Supplement 2007, is amended by striking the
2 41 subsection.

2 42 Sec. 10. Section 15G.203, subsection 7, Code
2 43 Supplement 2007, is amended to read as follows:

2 44 7. An award of financial incentives to a
2 45 participating person shall be on a cost-share basis in
2 46 the form of a grant. To

2 47 ~~In order to~~ participate in the program, an eligible
2 48 person must execute a cost-share agreement with the
2 49 department as approved by the infrastructure board in
2 50 which the person contributes a percentage of the total
3 1 costs related to improving the retail motor fuel site.
3 2 A cost-share agreement shall be for a three-year
3 3 period or a five-year period. A cost-share agreement
3 4 shall include provisions for standard financial
3 5 incentives or standard financial incentives and
3 6 supplemental financial incentives as provided in this
3 7 subsection. The infrastructure board may approve
3 8 multiple improvements to the same retail motor fuel
3 9 site for the full amount available for both ethanol
3 10 infrastructure and biodiesel infrastructure so long as
3 11 the improvements for ethanol infrastructure and for
3 12 biodiesel infrastructure are made under separate
3 13 cost-share agreements.

3 14 a. (1) Except as provided in paragraph "b", a
3 15 participating person may be awarded standard financial
3 16 incentives to make improvements to a retail motor fuel
3 17 site. The standard financial incentives awarded to
3 18 ~~the~~ a participating person shall not exceed the
3 19 following:

3 20 (a) For a three-year cost-share agreement, fifty
3 21 percent of the actual cost of making the improvement
3 22 or thirty thousand dollars, whichever is less.

3 23 (b) For a five-year cost-share agreement, seventy
3 24 percent of the actual cost of making the improvement
3 25 or fifty thousand dollars, whichever is less.

3 26 (2) The infrastructure board may approve multiple
3 27 awards of standard financial incentives to make
3 28 improvements to a retail motor fuel site so long as
3 29 the total amount of the awards for ethanol
3 30 infrastructure or biodiesel infrastructure does not
3 31 exceed the limitations provided in ~~this paragraph~~
3 32 subparagraph (1).

3 33 b. In addition to any standard financial
3 34 incentives awarded to a participating person under
3 35 paragraph "a", the participating person may be awarded
3 36 supplemental financial incentives to make improvements
3 37 to a retail motor fuel site to upgrade ~~do any of the~~
3 38 following:

3 39 (1) Upgrade or replace a dispenser which is part
3 40 of gasoline storage and dispensing infrastructure used
3 41 to store and dispense E-85 gasoline as provided in
3 42 section 455G.31. The participating person is only
3 43 eligible to ~~receive~~ be awarded the supplemental
3 44 financial incentives if the person installed the
3 45 dispenser not later than sixty days after the date of
3 46 the publication in the Iowa administrative bulletin of
3 47 the state fire marshal's order providing that a
3 48 commercially available dispenser is listed as
3 49 compatible for use with E-85 gasoline by an
3 50 independent testing laboratory as provided in section
4 1 455G.31. The supplemental financial incentives
4 2 awarded to the participating person shall not exceed
4 3 seventy-five percent of the actual cost of making the
4 4 improvement or thirty thousand dollars, whichever is
4 5 less.

4 6 (2) To improve additional retail motor fuel sites
4 7 owned or operated by a participating person within a
4 8 twelve-month period as provided in the cost-share
4 9 agreement. The supplemental financial incentives
4 10 shall be used for the installation of an additional
4 11 tank and associated infrastructure at each such retail
4 12 motor fuel site. A participating person may be
4 13 awarded supplemental financial incentives under this
4 14 subparagraph and standard financial incentives under
4 15 paragraph "a" to improve the same motor fuel site.
4 16 The supplemental financial incentives awarded to the
4 17 participating person shall not exceed the following:

4 18 (a) For the second retail motor fuel site, five
4 19 thousand dollars.

4 20 (b) For the third retail motor fuel site, seven
4 21 thousand five hundred dollars.

4 22 (c) For the fourth retail motor fuel site, ten
4 23 thousand dollars.

4 24 (d) For the fifth retail motor fuel site, twelve
4 25 thousand five hundred dollars.

4 26 Sec. 11. Section 15G.204, subsection 2, Code
4 27 Supplement 2007, is amended by striking the
4 28 subsection.

4 29 Sec. 12. Section 15G.204, subsection 4, Code
4 30 Supplement 2007, is amended to read as follows:

4 31 4. a. An award of financial incentives to a
4 32 participating person shall be in the form of a grant.
4 33 In order to participate in the program, an eligible
4 34 person must execute a cost-share agreement with the
4 35 department as approved by the infrastructure board in
4 36 which the person contributes a percentage of the total
4 37 costs related to improving the terminal. The
4 38 financial incentives awarded to the participating
4 39 person shall not exceed the following:

4 40 (1) For improvements to store, blend, or dispense
4 41 biodiesel fuel from B=2 or higher but not as high as
4 42 B=99, fifty percent of the actual cost of making the
4 43 improvements or fifty thousand dollars, whichever is
4 44 less.

4 45 (2) For improvements to store, blend, or dispense
4 46 biodiesel fuel from B=99 to B=100, fifty percent of
4 47 the actual cost of making the improvements or one
4 48 hundred fifty thousand dollars, whichever is less.

4 49 b. The infrastructure board may approve multiple
4 50 awards to make improvements to a terminal so long as
5 1 the total amount of the awards does not exceed the
5 2 limitations provided in this subsection paragraph "c".

5 3 Sec. 13. Section 214.1, Code 2007, is amended to
5 4 read as follows:

5 5 214.1 DEFINITIONS.

5 6 For the purpose of As used in this chapter, unless
5 7 the context otherwise requires:

5 8 1. "Biodiesel", "biodiesel fuel", "biofuel",
5 9 "ethanol", "motor fuel", "retail dealer", "retail
5 10 motor fuel site", and "wholesale dealer" mean the same
5 11 as defined in section 214A.1.

5 12 2. "Commercial weighing and measuring device" or
5 13 "device" means the same as defined in section 215.26.

5 14 2- 3. "Motor fuel" means the same as defined in
5 15 section 214A.1 fuel blender pump" or "blender pump"
5 16 means a motor fuel pump that dispenses a type of motor
5 17 fuel that is blended from two or more different types
5 18 of motor fuels and which may dispense more than one
5 19 type of blended motor fuel.

5 20 3- 4. "Motor fuel pump" means a pump, meter, or
5 21 similar commercial weighing and measuring device used
5 22 to measure and dispense motor fuel on a retail basis.

5 23 4. "Retail dealer" means the same as defined in
5 24 section 214A.1.

5 25 5. "Wholesale dealer" means the same as defined in
5 26 section 214A.1 "Motor fuel storage tank" or "storage
5 27 tank" means an aboveground or belowground container
5 28 that is a fixture used to store an accumulation of
5 29 motor fuel.

5 30 Sec. 14. Section 214.9, Code 2007, is amended to
5 31 read as follows:

5 32 214.9 SELF-SERVICE MOTOR FUEL PUMPS.

5 33 Self-service A self-service motor fuel pumps pump
5 34 located at a retail motor vehicle fuel stations site
5 35 may be equipped with an automatic latch-open devices
5 36 device on the fuel dispensing hose nozzle only if the

5 37 nozzle valve is the automatic closing type.
5 38 Sec. 15. Section 214A.1, Code 2007, is amended by
5 39 adding the following new subsection:
5 40 NEW SUBSECTION. 4A. "Biodiesel fuel" means
5 41 biodiesel or biodiesel blended fuel.
5 42 Sec. 16. Section 214A.1, subsections 9, 14, and
5 43 15, Code 2007, are amended to read as follows:
5 44 9. "E=85 gasoline" or "E=85" means ethanol blended
5 45 gasoline formulated with a ~~minimum~~ percentage of
5 46 between seventy and eighty-five percent by volume of
5 47 ethanol, if the formulation meets the standards
5 48 provided in section 214A.2.
5 49 14. "Motor fuel pump" and "motor fuel blender
5 50 pump" or "blender pump" means the same as defined in
6 1 section 214.1.
6 2 15. "Motor fuel storage tank" means ~~an aboveground~~
6 3 ~~or belowground container that is a fixture, used to~~
6 4 ~~keep an accumulation of motor fuel the same as defined~~
6 5 ~~in section 214.1.~~
6 6 Sec. 17. Section 214A.1, Code 2007, is amended by
6 7 adding the following new subsection:
6 8 NEW SUBSECTION. 21A. "Unleaded gasoline" means
6 9 gasoline, including ethanol blended gasoline, if all
6 10 of the following applies:
6 11 a. It has an octane number of not less than
6 12 eighty-seven as provided in section 214A.2.
6 13 b. Lead or phosphorus compounds have not been
6 14 intentionally added to it.
6 15 c. It does not contain more than thirteen
6 16 thousandths grams of lead per liter and not more than
6 17 thirteen ten-thousandths grams of phosphorus per
6 18 liter.
6 19 Sec. 18. Section 214A.2, subsection 3, paragraph
6 20 b, Code 2007, is amended to read as follows:
6 21 b. If the motor fuel is advertised for sale or
6 22 sold as ethanol blended gasoline, the motor fuel must
6 23 comply with departmental standards which shall ~~comply~~
6 24 ~~with specifications for ethanol blended gasoline~~
6 25 ~~adopted by A.S.T.M. international. For ethanol~~
6 26 ~~blended gasoline meet all of the following shall apply~~
6 27 requirements:
6 28 (1) Ethanol must be an agriculturally derived
6 29 ethyl alcohol that meets A.S.T.M. international
6 30 specification D4806 for denatured fuel ethanol for
6 31 blending with gasoline for use as automotive
6 32 spark-ignition engine fuel, or a successor A.S.T.M.
6 33 international specification, as established by rules
6 34 adopted by the department.
6 35 (2) Gasoline blended with ethanol must meet any of
6 36 the following requirements:
6 37 (a) For the gasoline, A.S.T.M. international
6 38 specification D4814.
6 39 (b) For the ethanol blended gasoline, A.S.T.M.
6 40 international specification D4814.
6 41 (c) For the gasoline, A.S.T.M. international
6 42 specification D4814 except for distillation, if, for
6 43 E=10 or a classification below E=10, the ethanol
6 44 blended gasoline meets the requirements of A.S.T.M.
6 45 international specification D4814.
6 46 (3) For ethanol blended gasoline ~~other than E=85~~
6 47 ~~gasoline, at least ten nine percent of the gasoline by~~
6 48 ~~volume must be fuel grade ethanol. In addition the~~
6 49 ~~following applies:~~
6 50 (a) For the period beginning on September 16 and
7 1 ending on May 31 of each year, the state grants a
7 2 waiver of one pound per square inch from the A.S.T.M.
7 3 international D4814 Reid vapor pressure requirement.
7 4 (b) For the period beginning on June 1 and ending
7 5 on September 15 of each year the United States
7 6 environmental protection agency must grant a one pound
7 7 per square inch waiver for ethanol blended
7 8 conventional gasoline with at least nine but not more
7 9 than ten percent by volume of ethanol pursuant to 40
7 10 C.F.R. } 80.27.
7 11 (4) E=85 gasoline must be an agriculturally
7 12 derived ethyl alcohol that meets A.S.T.M.
7 13 international specification D5798, described as a fuel
7 14 blend for use in ground vehicles with automotive
7 15 spark-ignition engines, or a successor A.S.T.M.
7 16 international specification, as established by rules
7 17 adopted by the department.

7 18 Sec. 19. Section 214A.2, Code 2007, is amended by
7 19 adding the following new subsection:

7 20 NEW SUBSECTION. 4A. Ethanol blended gasoline
7 21 shall be designated E=xx where "xx" is the volume
7 22 percent of ethanol in the ethanol blended gasoline and
7 23 biodiesel shall be designated B=xx where "xx" is the
7 24 volume percent of biodiesel.

7 25 Sec. 20. Section 214A.2B, Code Supplement 2007, is
7 26 amended to read as follows:

7 27 214A.2B LABORATORY FOR MOTOR FUEL AND BIOFUELS.

7 28 A laboratory for motor fuel and biofuels is
7 29 established at a merged area school which is engaged
7 30 in biofuels testing on July 1, 2007, and which testing
7 31 includes but is not limited to ~~B=20~~ B=20 biodiesel fuel
7 32 testing for motor trucks and the ability of biofuels
7 33 to meet A.S.T.M. international standards. The
7 34 laboratory shall conduct testing of motor fuel sold in
7 35 this state and biofuel which is blended in motor fuel
7 36 in this state to ensure that the motor fuel or
7 37 biofuels meet the requirements in section 214A.2.

7 38 Sec. 21. Section 214A.3, subsection 2, paragraph
7 39 b, Code 2007, is amended to read as follows:

7 40 b. (1) Ethanol blended gasoline sold by a dealer
7 41 shall be designated ~~E=xx where "xx" is the volume~~
7 42 ~~percent of ethanol in the ethanol blended gasoline~~
7 43 according to its classification as provided in section
7 44 214A.2. However, a person advertising ~~E=9 or~~ E=10

7 45 gasoline may only designate it as ethanol blended
7 46 gasoline. A person advertising ethanol blended
7 47 gasoline formulated with a percentage of between
7 48 seventy and eighty-five percent by volume of ethanol
7 49 shall designate it as E=85. A person shall not

7 50 knowingly falsely advertise ethanol blended gasoline
8 1 by using an inaccurate designation in violation of
8 2 this subparagraph.

8 3 (2) ~~Biodiesel blended fuel shall be designated~~
8 4 ~~B=xx where "xx" is the volume percent of biodiesel in~~
8 5 ~~the biodiesel blended fuel according to its~~
8 6 ~~classification as provided in section 214A.2.~~ A

8 7 person shall not knowingly falsely advertise biodiesel
8 8 blended fuel by using an inaccurate designation in
8 9 violation of this subparagraph.

8 10 Sec. 22. Section 214A.16, Code 2007, is amended to
8 11 read as follows:

8 12 214A.16 NOTICE OF BLENDED FUEL == DECAL.

8 13 1. If motor fuel containing a renewable fuel is
8 14 sold from a motor fuel pump, the pump shall have
8 15 affixed a decal identifying the name of the renewable
8 16 fuel. The decal ~~may~~ shall be different based on the
8 17 type of renewable fuel ~~used~~ dispensed. If the motor
8 18 fuel pump dispenses ethanol blended gasoline

8 19 classified as higher than E=10 pursuant to section
8 20 214A.2, the decal shall contain the following notice:

8 21 "FOR FLEXIBLE FUEL VEHICLES ONLY".

8 22 2. The design and location of the decal shall be
8 23 prescribed by rules adopted by the department. A
8 24 decal identifying a renewable fuel shall be consistent
8 25 with standards adopted pursuant to section 159A.6.

8 26 The department may approve an application to place a
8 27 decal in a special location on a pump or container or
8 28 use a decal with special lettering or colors, if the
8 29 decal appears clear and conspicuous to the consumer.
8 30 The application shall be made in writing pursuant to
8 31 procedures adopted by the department.

8 32 Sec. 23. Section 455G.31, subsection 1, Code
8 33 Supplement 2007, is amended to read as follows:

8 34 1. As used in this section, unless the context
8 35 otherwise requires:

8 36 a. "Dispenser" includes a motor fuel pump,
8 37 including but not limited to a motor fuel blender
8 38 pump.

8 39 ~~a-~~ b. "E=85 gasoline", "ethanol blended
8 40 gasoline", and "retail dealer" mean the same as
8 41 defined in section 214A.1.

8 42 ~~b-~~ c. "Gasoline storage and dispensing
8 43 infrastructure" means any storage tank located below
8 44 ground or above ground and any associated equipment
8 45 including but not limited to a pipe, hose, connection,
8 46 fitting seal, or motor fuel pump, which is used to
8 47 store, measure, and dispense gasoline by a retail
8 48 dealer.

8 49 d. Ethanol blended gasoline shall be designated in
8 50 the same manner as provided in section 214A.2.

9 1 e. "Motor fuel pump" means the same as defined in
9 2 section 214.1.

9 3 Sec. 24. Section 455G.31, subsection 2, unnumbered
9 4 paragraph 1, Code Supplement 2007, is amended to read
9 5 as follows:
9 6 A retail dealer may use gasoline storage and
9 7 dispensing infrastructure to store and dispense ~~E=85~~
9 8 ethanol blended gasoline classified as E=9 or higher
9 9 if all of the following apply:

9 10 Sec. 25. Section 455G.31, subsection 2, paragraph
9 11 a, Code Supplement 2007, is amended to read as
9 12 follows:
9 13 a. For gasoline storage and dispensing
9 14 infrastructure other than the dispenser, the
9 15 department of natural resources under this chapter or
9 16 the state fire marshal under chapter 101 must
9 17 determine that it is compatible with ~~E=85~~ the ethanol
9 18 blended gasoline being used.

9 19 Sec. 26. Section 455G.31, subsection 2, paragraph
9 20 b, subparagraph (1), subparagraph subdivision (a),
9 21 Code Supplement 2007, is amended to read as follows:
9 22 (a) The dispenser must be listed by an independent
9 23 testing laboratory as compatible with ethanol blended
9 24 gasoline classified as E=9 or higher.

9 25 Sec. 27. Section 15.401, Code 2007, is repealed.
9 26 Sec. 28. RENEWABLE FUEL INFRASTRUCTURE == STANDARD
9 27 FINANCIAL INCENTIVES AWARDED FOR THE ACQUISITION OF
9 28 TANK VEHICLES.

9 29 1. Notwithstanding the amendments to section
9 30 15G.203, subsection 1, paragraph "b", as enacted in
9 31 this Act, a person may participate in the renewable
9 32 fuel infrastructure program for retail motor fuel
9 33 sites as provided in section 15G.203, as amended by
9 34 this Act, for the acquisition of any of the following:
9 35 a. One tank vehicle used to store and dispense
9 36 E=85 gasoline, which shall be deemed ethanol
9 37 infrastructure.
9 38 b. One tank vehicle used to store and dispense
9 39 biodiesel or biodiesel blended fuel, which shall be
9 40 deemed biodiesel infrastructure.

9 41 2. The renewable fuel infrastructure board may
9 42 approve an award of financial incentives for the
9 43 acquisition of a tank vehicle as provided in a
9 44 cost=share agreement for a three-year period as
9 45 provided in section 15G.203, as amended by this Act.
9 46 The standard financial incentives awarded to the
9 47 participating person shall not exceed fifty percent of
9 48 the actual cost of the acquisition of the tank vehicle
9 49 or thirty thousand dollars, whichever is less. The
9 50 infrastructure board may approve an application for
10 1 both a tank vehicle used to store and dispense E=85
10 2 gasoline as ethanol infrastructure and for a tank
10 3 vehicle used to store and dispense biodiesel or
10 4 biodiesel blended fuel as biodiesel infrastructure so
10 5 long as the standard financial incentives awarded to
10 6 the participating person for the acquisition of the
10 7 two tank vehicles are made under separate cost=share
10 8 agreements.

10 9 3. In order to participate in the renewable fuel
10 10 infrastructure program for retail motor fuel sites as
10 11 provided in this section, a person must apply to the
10 12 department of economic development as provided in
10 13 section 15G.203, as amended by this Act, not later
10 14 than December 31, 2008.

10 15 Sec. 29. RENEWABLE FUEL INFRASTRUCTURE PROGRAMS ==
10 16 CONSIDERATION OF APPLICATIONS.

10 17 1. The renewable fuel infrastructure board created
10 18 in section 15G.202 may award financial incentives to a
10 19 person participating in the renewable fuel
10 20 infrastructure program for retail motor fuel sites for
10 21 an amount provided in section 15G.203, subsection 7,
10 22 as amended in this Act, if the person applied to the
10 23 department of economic development on or after
10 24 February 19, 2008.

10 25 2. The renewable fuel infrastructure board created
10 26 in section 15G.202 may award financial incentives to a
10 27 person participating in the renewable fuel
10 28 infrastructure program for terminal facilities for an
10 29 amount provided in section 15G.204, subsection 4, as

10 30 amended in this Act, if the person applied to the
10 31 department of economic development on or after
10 32 February 19, 2008.

10 33 Sec. 30. SECRETARY OF AGRICULTURE == APPLICATION
10 34 TO THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY.
10 35 The secretary of agriculture shall make application to
10 36 the United States environmental protection agency to
10 37 obtain approval for the use of ethanol blended
10 38 gasoline containing more than ten percent ethanol by
10 39 volume in this state by gasoline-powered vehicles
10 40 other than flexible fuel vehicles. The application
10 41 shall, as necessary, seek a waiver of relevant
10 42 standards promulgated by the agency under the federal
10 43 Clean Air Act, including but not limited to 42 U.S.C.
10 44 } 7545 and 40 C.F.R. pt. 80. Within sixty days after
10 45 obtaining such approval, the secretary of agriculture
10 46 shall publish a notice in the Iowa administrative
10 47 bulletin certifying the approval.

10 48 Sec. 31. LEGISLATIVE INTENT == FUTURE REVENUE
10 49 SOURCES. It is the intent of the general assembly
10 50 that all options be examined in order to continue the
11 1 financing of renewable fuel infrastructure as provided
11 2 in chapter 15G, subchapter II.

11 3 Sec. 32. EFFECTIVE DATES.
11 4 1. Except as provided in subsection 2, this
11 5 division of this Act, being deemed of immediate
11 6 importance, takes effect upon enactment.
11 7 2. The amendments to section 15G.204, subsection
11 8 4, as amended by this division of this Act, take
11 9 effect January 1, 2009.

11 10 DIVISION II

11 11 BIODIESEL BLENDED FUEL INCOME TAX CREDIT

11 12 Sec. 33. Section 422.11P, subsection 3, Code
11 13 Supplement 2007, is amended to read as follows:

11 14 3. a. The tax credit shall be calculated
11 15 separately for each retail motor fuel site operated by
11 16 the taxpayer.

11 17 b. The amount of the tax credit is three cents
11 18 multiplied by the total number of gallons of biodiesel
11 19 blended fuel sold and dispensed by the retail dealer
11 20 through all motor fuel pumps operated by the retail
11 21 dealer during the retail dealer's tax year.

11 22 Sec. 34. Section 422.33, subsection 11C, paragraph
11 23 c, Code Supplement 2007, is amended to read as
11 24 follows:

11 25 c. The tax credit shall be calculated separately
11 26 for each retail motor fuel site operated by the
11 27 taxpayer.

11 28 d. This subsection is repealed on January 1, 2012.

11 29 Sec. 35. RETROACTIVE APPLICABILITY DATE. Section
11 30 422.11P, as amended by this Act, and section 422.33,
11 31 subsection 11C, as applied due to the enactment of
11 32 this Act, shall apply retroactively to tax years
11 33 beginning on or after January 1, 2008.

11 34 Sec. 36. EFFECTIVE DATE. This division of this
11 35 Act, being deemed of immediate importance, takes
11 36 effect upon enactment.

11 37 DIVISION III

11 38 BIOFUEL REPORTING

11 39 Sec. 37. Section 452A.2, Code 2007, is amended by
11 40 adding the following new subsection:

11 41 NEW SUBSECTION. 4A. "Biofuel producer" means a
11 42 person required to be licensed pursuant to this
11 43 division who produces biofuel from a production
11 44 facility located in this state.

11 45 Sec. 38. NEW SECTION. 452A.30 DEFINITIONS. The
11 46 words and phrases used in this division shall have the
11 47 same meaning as defined in section 452A.2.

11 48 Sec. 39. Section 452A.33, Code 2007, is amended by
11 49 adding the following new subsection:

11 50 NEW SUBSECTION. 1A. a. Each biofuel producer
12 1 shall report the total number of gallons of biofuel
12 2 produced by the biofuel producer for a determination
12 3 period. The report shall include all of the
12 4 following:

12 5 (1) The total number of gallons of ethanol
12 6 produced at each production facility located in this
12 7 state, the total number of gallons of ethanol produced
12 8 at all production facilities located in this state,
12 9 and the total number of gallons of ethanol delivered
12 10 by the biofuel producer to destinations outside of

12 11 this state.
12 12 (2) The total number of gallons of biodiesel
12 13 produced at each production facility located in this
12 14 state, the total number of gallons of biodiesel
12 15 produced at all production facilities located in this
12 16 state, and the total number of gallons of biodiesel
12 17 delivered to destinations outside of this state.
12 18 b. The biofuel producer shall prepare and submit
12 19 the report in a manner and according to procedures
12 20 required by the department. The department may
12 21 require that a biofuel producer report to the
12 22 department on an annual, quarterly, or monthly basis.
12 23 c. The information included in a report submitted
12 24 by a biofuel producer that identifies the location of
12 25 a production facility is deemed to be a trade secret,
12 26 protected as a confidential record pursuant to section
12 27 22.7.

12 28 Sec. 40. Section 452A.33, Code 2007, is amended by
12 29 adding the following new subsection:

12 30 NEW SUBSECTION. 2A. On or before April 1 of each
12 31 year the department shall deliver a report to the
12 32 governor and the legislative services agency. The
12 33 report shall compile information reported by biofuel
12 34 producers.

12 35 a. The report shall include all of the following:

12 36 (1) The total number of gallons of ethanol
12 37 produced in this state and the total number of gallons
12 38 of ethanol delivered to destinations outside of this
12 39 state.

12 40 (2) The total number of gallons of biodiesel
12 41 produced in this state and the total number of gallons
12 42 of biodiesel delivered to destinations outside of this
12 43 state.

12 44 b. The report shall not provide information
12 45 classified as a trade secret protected as a
12 46 confidential record pursuant to this section.

12 47 Sec. 41. CODE EDITOR. The Code editor shall
12 48 codify section 452A.30, as enacted in this division of
12 49 this Act, as part of chapter 452A, division II.

12 50 DIVISION IV
13 1 GOVERNMENT FLEET PURCHASES
13 2 OF RENEWABLE FUELS

13 3 Sec. 42. Section 8A.362, subsection 3, paragraph
13 4 b, Code Supplement 2007, is amended to read as
13 5 follows:

13 6 b. A ~~gasoline=powered~~ motor vehicle operated under
13 7 this subsection shall not operate on gasoline other
13 8 than ethanol blended gasoline as defined in section
13 9 214A.1, unless under emergency circumstances. A
13 10 ~~diesel=powered motor vehicle operated under this~~

13 11 subsection shall not operate on diesel fuel other than
13 12 biodiesel fuel as defined in section 214A.1, if

13 13 commercially available. A state-issued credit card
13 14 used to purchase gasoline shall not be valid to
13 15 purchase gasoline other than ethanol blended gasoline,
13 16 if commercially available, or to purchase diesel fuel
13 17 other than biodiesel fuel, if commercially available.

13 18 The motor vehicle shall also be affixed with a
13 19 brightly visible sticker which notifies the traveling
13 20 public that the motor vehicle is being operated on
13 21 ethanol blended gasoline or biodiesel fuel, as
13 22 applicable. However, the sticker is not required to
13 23 be affixed to an unmarked vehicle used for purposes of
13 24 providing law enforcement or security.

13 25 Sec. 43. Section 216B.3, subsection 16, paragraph
13 26 a, Code Supplement 2007, is amended to read as
13 27 follows:

13 28 a. A ~~gasoline=powered~~ motor vehicle purchased by
13 29 the commission shall not operate on gasoline other
13 30 than ethanol blended gasoline as defined in section
13 31 214A.1. A diesel=powered motor vehicle purchased by

13 32 the commission shall not operate on diesel fuel other
13 33 than biodiesel fuel as defined in section 214A.1, if
13 34 commercially available. A state issued credit card

13 35 used to purchase gasoline shall not be valid to
13 36 purchase gasoline other than ethanol blended gasoline
13 37 or to purchase diesel fuel other than biodiesel fuel,
13 38 if commercially available. The motor vehicle shall

13 39 also be affixed with a brightly visible sticker which
13 40 notifies the traveling public that the motor vehicle
13 41 is being operated on ethanol blended gasoline or

13 42 biodiesel fuel, as applicable. However, the sticker
13 43 is not required to be affixed to an unmarked vehicle
13 44 used for purposes of providing law enforcement or
13 45 security.

13 46 Sec. 44. Section 262.25A, subsection 2, Code
13 47 Supplement 2007, is amended to read as follows:

13 48 2. A ~~gasoline=powered~~ motor vehicle purchased by
13 49 the institutions shall not operate on gasoline other
13 50 than ethanol blended gasoline as defined in section
14 1 214A.1, unless under emergency circumstances or if to
14 2 do so would result in the use of a percentage of
14 3 ethanol blended gasoline higher than recommended by
14 4 the vehicle manufacturer or would result in a
14 5 violation of the vehicle's manufacturer warranty. A
14 6 diesel=powered motor vehicle purchased by the
14 7 institutions shall not operate on diesel fuel other
14 8 than biodiesel fuel as defined in section 214A.1, if
14 9 commercially available, unless to do so would result
14 10 in the use of a percentage of biodiesel not
14 11 recommended by the vehicle manufacturer or would
14 12 result in violation of the vehicle's manufacturer
14 13 warranty, or under emergency circumstances. A
14 14 state-issued credit card used to purchase gasoline
14 15 shall not be valid used to purchase gasoline other
14 16 than ethanol blended gasoline if commercially
14 17 available or to purchase diesel fuel other than
14 18 biodiesel fuel if commercially available. The motor
14 19 vehicle shall also be affixed with a brightly visible
14 20 sticker which notifies the traveling public that the
14 21 motor vehicle is being operated on ethanol blended
14 22 gasoline or biodiesel fuel, as applicable. However,
14 23 the sticker is not required to be affixed to an
14 24 unmarked vehicle used for purposes of providing law
14 25 enforcement or security.

14 26 Sec. 45. Section 307.21, subsection 4, paragraph
14 27 d, Code Supplement 2007, is amended to read as
14 28 follows:

14 29 d. A ~~motor gasoline=powered~~ vehicle purchased by
14 30 the administrator shall not operate on gasoline other
14 31 than ethanol blended gasoline as defined in section
14 32 214A.1. A diesel=powered motor vehicle purchased by
14 33 the administrator shall not operate on diesel fuel
14 34 other than biodiesel fuel as defined in section
14 35 214A.1, if commercially available. A state-issued
14 36 credit card used to purchase gasoline shall not be
14 37 valid to purchase gasoline other than ethanol blended
14 38 gasoline or to purchase diesel fuel other than
14 39 biodiesel fuel, if commercially available. The motor
14 40 vehicle shall also be affixed with a brightly visible
14 41 sticker which notifies the traveling public that the
14 42 motor vehicle is being operated on ethanol blended
14 43 gasoline or biodiesel fuel, as applicable. However,
14 44 the sticker is not required to be affixed to an
14 45 unmarked vehicle used for purposes of providing law
14 46 enforcement or security.

14 47 Sec. 46. Section 904.312A, subsection 1, Code
14 48 Supplement 2007, is amended to read as follows:

14 49 1. A ~~gasoline=powered~~ motor vehicle purchased by
14 50 the department shall not operate on gasoline other
15 1 than ethanol blended gasoline as defined in section
15 2 214A.1. A diesel=powered motor vehicle purchased by
15 3 the department shall not operate on diesel fuel other
15 4 than biodiesel fuel as defined in section 214A.1, if
15 5 commercially available. A state-issued credit card
15 6 used to purchase gasoline shall not be valid to
15 7 purchase gasoline other than ethanol blended gasoline,
15 8 or to purchase diesel fuel other than biodiesel fuel,
15 9 if commercially available. The motor vehicle shall
15 10 also be affixed with a brightly visible sticker which
15 11 notifies the traveling public that the motor vehicle
15 12 is being operated on ethanol blended gasoline or
15 13 biodiesel fuel, as applicable. However, the sticker
15 14 is not required to be affixed to an unmarked vehicle
15 15 used for purposes of providing law enforcement or
15 16 security.

15 17 Sec. 47. USE OF BIODIESEL FUEL BY LOCAL ENTITIES.
15 18 It is the policy of the state to encourage the use of
15 19 biodiesel fuel to the extent practical in all
15 20 diesel=powered motor vehicles purchased or used by
15 21 cities, counties, school corporations, and merged area
15 22 schools.

15 23 Sec. 48. EFFECTIVE DATE. This division of this
15 24 Act, being deemed of immediate importance, takes
15 25 effect upon enactment.

15 26 DIVISION V
15 27 RENEWABLE FUELS MARKETING EFFORTS

15 28 Sec. 49. DEFINITIONS. As used in this division of
15 29 this Act, unless the context otherwise requires:

15 30 1. "Biodiesel blended fuel", "biofuel", "E=85",
15 31 and "retail dealer" mean the same as defined in
15 32 section 214A.1.

15 33 2. "Renewable fuel" means biodiesel blended fuel
15 34 or ethanol blended gasoline.

15 35 Sec. 50. RENEWABLE FUELS MARKETING PLAN. The
15 36 office of energy independence shall develop a
15 37 renewable fuels marketing plan to promote the biofuel
15 38 industry in this state.

15 39 1. The renewable fuels marketing plan shall
15 40 provide for research to determine what barriers hinder
15 41 the increased use of renewable fuels, including
15 42 renewable fuels containing higher blends of biofuels
15 43 in this state. The research shall include but is not
15 44 limited to determining all of the following:

15 45 a. Barriers that may prevent retail dealers from
15 46 selling more renewable fuels, which shall at least
15 47 include issues involving infrastructure, product
15 48 quality, and cost efficiencies.

15 49 b. Barriers that may prevent consumers from
15 50 purchasing more renewable fuels, which shall at least
16 1 include issues involving fuel efficiency and consumer
16 2 awareness of renewable fuels and flexible fuel
16 3 vehicles.

16 4 2. The office shall prepare and submit the
16 5 renewable fuels marketing plan to the governor and the
16 6 general assembly by January 30, 2009.

16 7 Sec. 51. DIRECT MARKETING CAMPAIGN == FLEXIBLE
16 8 FUEL VEHICLES AND DIESEL POWERED VEHICLES. The office
16 9 of energy independence shall conduct a direct
16 10 marketing campaign specifically targeted to owners of
16 11 flexible fuel vehicles and diesel powered vehicles.

16 12 1. The direct marketing campaign shall include but
16 13 is not limited to education to increase owner
16 14 awareness and knowledge regarding all of the
16 15 following:

16 16 a. Flexible fuel vehicles and E=85 as an
16 17 alternative fuel choice. The office shall provide
16 18 owners with maps indicating where retail motor fuel
16 19 sites offering E=85 are located.

16 20 b. Diesel powered vehicles and biodiesel blended
16 21 fuel as an alternative fuel choice. The office shall
16 22 provide owners with information on but not limited to
16 23 successful cold weather handling and use of biodiesel
16 24 blended fuel, engine manufacturer warranties covering
16 25 the use of biodiesel blended fuel, and maps indicating
16 26 where retail motor fuel sites offering biodiesel
16 27 blended fuel and terminals storing biodiesel are
16 28 located.

16 29 2. The department of transportation shall provide
16 30 the office with a list of the names and addresses of
16 31 owners of flexible fuel vehicles, including vehicles
16 32 registered under sections 321.109, 321.121, and
16 33 321.122.

16 34 3. The office shall complete the direct marketing
16 35 campaign by October 1, 2008.

16 36 Sec. 52. COLLABORATION. The office of energy
16 37 independence may collaborate with public or private
16 38 organizations to carry out the provisions of this
16 39 division of this Act.

16 40 Sec. 53. FUNDING. The office of energy
16 41 independence shall carry out the provisions of this
16 42 division of this Act using moneys appropriated to the
16 43 office as provided in section 469.10.

16 44 Sec. 54. EFFECTIVE DATE. This division of this
16 45 Act, being deemed of immediate importance, takes
16 46 effect upon enactment.>

16 47 #2. Title page, line 3, by inserting after the
16 48 word <fuel,> the following: <providing for tax
16 49 credits, providing for the reporting of biofuels,>.

16 50 #3. Title page, lines 5 and 6, by striking the
17 1 words <an effective date> and inserting the following:
17 2 <for effective dates and applicability; including
17 3 retroactive applicability>.

17 4 [#4.](#) By renumbering as necessary.
17 5
17 6
17 7
17 8 REASONER of Union
17 9
17 10
17 11
17 12 S. OLSON of Clinton
17 13 HF 2689.502 82
17 14 da/nh/12564